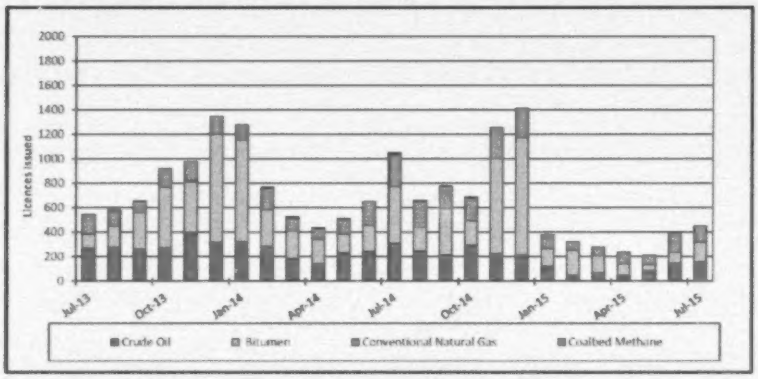
October 2015 Industry Activity Report

Monthly Well Licences



The Alberta Energy Regulator issued 450 well licenses in July 2015, down 57% from the 1,051 well licences issued in July 2014.

There were 155 licences issued for crude oil in July 2015, down 49% from the 306 crude oil licences issued in July 2014.

92% of the crude oil licences issued in July 2015 were for horizontal wells, up 6% from this time last year.

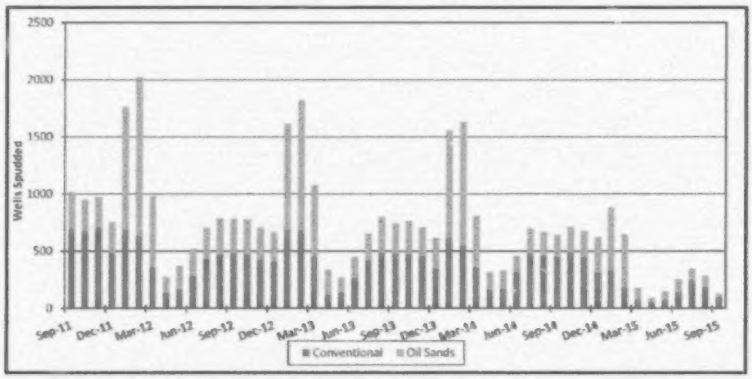
There were 131 natural gas well licenses (excluding CBM) issued in July 2015, 53% lower than the 264 licences reported in July 2014.

87% of natural gas well licenses issued in July 2015 were for horizontal wells, 14% lower compared to July 2014.

JULY 2015			
Licenced Wells	Drilling Type	Total Licences	Per cent of Total Licences
Natural Gas	Horizontal	114	29%
	Vertical/Direct	17	
Coal Bed Methane	Horizontal	-	
	Vertical/Direct	-	
Crude Oil	Horizontal	143	34%
	Vertical/Direct	12	
Bitumen	Horzontal	30	36%
	Vertical/Direct	51	
	Evaluation	83	
Total		**450**	**100%**

Source: Alberta Energy Regulator

Alberta Wells Spudded (estimates)



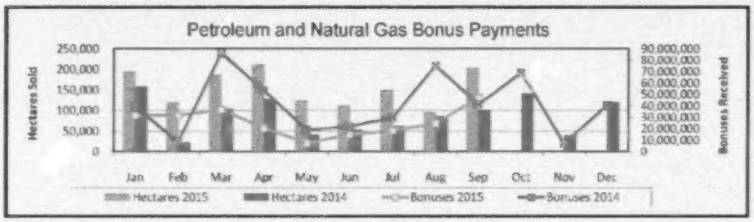
With a total of 129 spuds for the month of September 2015, activity has dropped 80% as compared to September 2014 when there were 645 spuds.

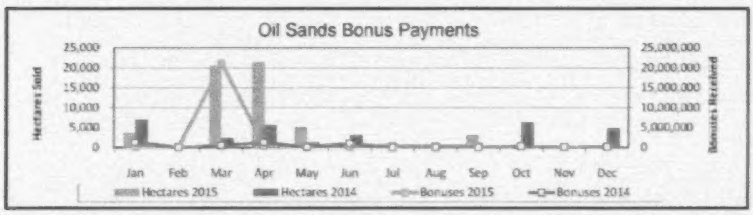
So far this year YTD, spuds for conventional wells are down 61% while oil sands spuds are down 55%.

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2011	Conventional	760	709	532	110	181	340	576	680	690	678	701	484	6,441
	Oil Sands	1052	1294	786	131	153	185	236	287	329	277	273	273	5,276
2012	Conventional	687	630	358	136	169	278	431	466	481	473	423	407	4,939
	Oil Sands	1078	1392	622	140	206	241	273	319	303	309	284	264	5,431
2013	Conventional	688	683	451	112	138	267	416	485	480	472	458	344	4,994
	Oil Sands	928	1143	628	227	132	185	238	316	267	293	248	274	4,879
2014	Conventional	617	551	355	163	173	317	477	460	452	490	447	311	4,813
	Oil Sands	944	1081	455	155	62	141	221	209	193	226	228	311	4,326
2015	Conventional	330	185	76	52	76	144	241	188	90				1,382
	Oil Sands	555	465	106	43	76	111	109	100	39				1,604

Source: Alberta Energy Regulator

Petroleum & Natural Gas & Oil Sands Land Sales





The petroleum and natural gas land sales held in September 2015 totalled $47 million with an average price per hectare of $232.80. Oil sands land sales earned $285 thousand with an average price per hectare of $90.97.

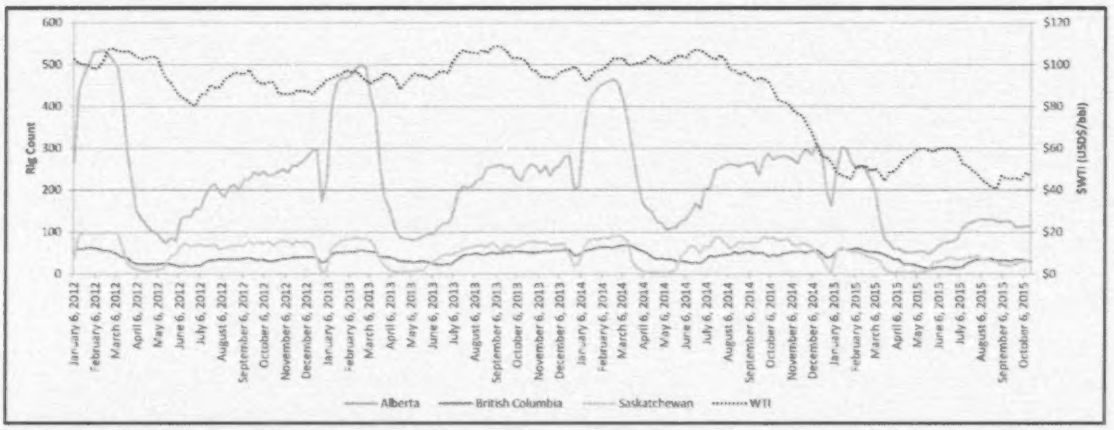
In the first three quarters of 2015, Alberta received $256 million on 1.5 million hectares of mineral rights sold, compared to $377 million received on 778 thousand hectares sold in 2014. Average crown land prices have decreased from $484.50/hectare in 2014 to $256/hectare in 2015.

Petroleum and Natural Gas Rights	Sep-15	Sep-14	YTD 2015	YTD 2014
Bonuses	$47,432,466.15	$41,062,467.68	$233,680,058.81	$373,206,798.35
Hectares	203743.69	99332.20	1404295.11	758215.76
Average Price per Hectare (Cdn$)	$232.80	$413.39	$166.40	$492.22

Oil Sands Rights	Sep-15	Sep-14	YTD 2015	YTD 2014
Bonuses	$285,279.36		$22,618,404.47	$4,237,959.90
Hectares	3136.00		55909.48	19903.20
Average Price per Hectare (Cdn$)	$90.97		$404.55	$212.93

Source: Alberta Energy

Alberta Rig Activity



October	Drilling Oct. 16, 2015	Up or Down Compared to the Previous Week	WTI ($/bbl)
Alberta	114		$ 46.90
Saskatchewan	34	3	
British Columbia	30	-2	
Canada	180	1	

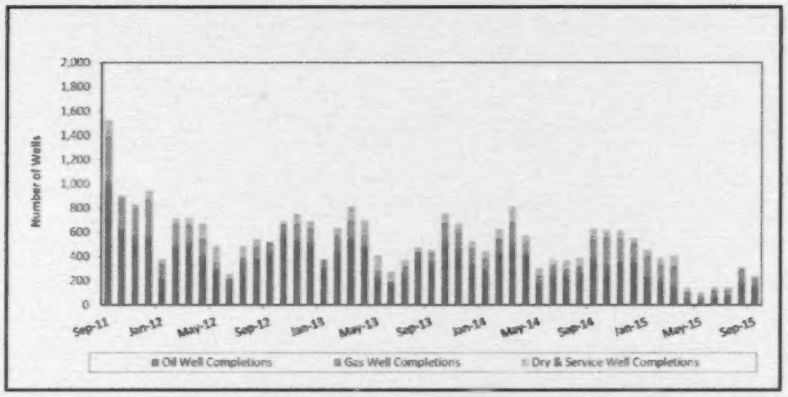
Source: Baker Hughes

Canadian rig activity was up 1 at 181 for the week of October 16, 2015 and is 236 (56.6%) lower than last year. The number of rigs drilling for oil was up 2 at 76 and is 155 (67.1%) lower than last year.

Gas directed rig count at 105 was down 1 and is 81 rigs (43.5%) lower than last year.

Canadian drilling falls rapidly in the spring to avoid environmental damage moving drilling equipment during the spring thaw and rainy season. With large weather related seasonal swings, even year-over-year comparisons can lead to incorrect conclusions.

Alberta Well Completions



There were 234 wells completed in September 2015, down 63% from the 628 wells completed in September 2014.

Compared to last year's YTD total, oil completions are down 61%, and gas completions are down 9%.

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2011	Oil Wells	226	353	650	419	602	209	105	451	1030	626	559	568	5,798
	Gas Wells	145	294	974	472	196	124	43	183	356	259	243	299	3,588
	Dry & Service	42	127	222	112	160	100	97	94	145	19	32	73	1,223
2012	Oil Wells	215	489	516	405	296	205	348	380	447	588	533	523	4,945
	Gas Wells	131	181	146	141	62	12	46	98	65	81	137	110	1,210
	Dry & Service	35	48	55	126	128	37	94	63	12	23	80	59	760
2013	Oil Wells	313	449	544	481	230	179	263	394	357	528	463	333	4,534
	Gas Wells	59	124	149	91	47	14	59	46	72	153	164	139	1,117
	Dry & Service	9	67	119	129	66	79	51	34	29	72	44	58	757
2014	Oil Wells	280	427	520	418	188	240	245	257	389	314	354	348	3,980
	Gas Wells	105	119	166	94	54	94	52	63	154	239	197	161	1,498
	Dry & Service	57	80	126	62	63	45	70	69	85	65	62	42	826
2015	Oil Wells	239	194	147	57	34	75	80	189	154				1,169
	Gas Wells	166	134	166	52	42	45	44	108	65				822
	Dry & Service	46	60	94	32	25	31	21	13	15				337

Source: JuneWarren-Nickle's Energy Group